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IMPERIALISM AND THE BRITISH LABOUR MOVEMENT IN THE 1920's



***An examination of marxist theory
by STUART MACINTYRE***

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The cover illustration is taken from the original cover of the **Communist International**.

THE MARXIST THEORY OF IMPERIALISM AND THE BRITISH LABOUR MOVEMENT

Stuart Macintyre

The British labour movement derived its original understanding of imperialism from outside its own ranks. Just as the trade unions in Victorian Britain drew on Liberalism for their ideology and political leadership, so at the end of the nineteenth century the critics of Empire turned to Hobson and the Radicals for a diagnosis of the phenomenon. Whereas the Left in Germany, Austria and Russia produced its own body of anti-imperialist theory, on a clear working-class basis, it was to take another twenty years for the British working-class to throw off this Radical legacy. The purpose of this essay is to trace this process.

1. THE RADICAL THEORY OF IMPERIALISM

The focus of J. A. Hobson's seminal tract, **Imperialism, A Study**, is British. While he appreciated that the dynamics of imperialism were common to all capitalist economies, his primary interest was in the dramatic upsurge of British expansionism in the last decades of the nineteenth century. Moreover, while Hobson and his companions professed a genuine concern for the victims of imperialism, they were primarily alarmed by its domestic impact. They formulated their theory of imperialism at a time when jingoism and xenophobia seemed to have captured the national consciousness, when it appeared to them that all sections of British society had been caught up in an emotional wave of support for colonial conquest. The problem which Hobson, a man of no revolutionary disposition but of deep moral concern, set himself to answer was this: why had the nation taken leave of its senses ?

He found the answer in the 'economic taproot' of imperialism.¹ The capitalist economy was beset by an inherent tendency to under-consumption: the working-class received only a proportion of the wealth it produced; the capitalist class was unable to consume its unequal share of this wealth, and generally spent the surplus over its personal consumption needs on durable-use production goods. But these new instruments of production merely aggravated a tendency towards a glut of consumer goods on the market, goods that could not find a buyer because of the widespread poverty among the working-class.² The capitalists had accordingly turned to overseas markets which offered 'swifter and bigger returns'.³ In the modern phase of imperialism the export of capital had replaced the export of commodities, there was increasing international rivalry for these outlets, and the state was acting as the agent of its imperialist interests.

It was clear to Hobson and the Radicals that imperialism benefited only a small minority of the British population. The reason for the too rapid export of capital abroad is, in short, the bad division of wealth at home.⁴ More than this, the Radicals regarded imperialism as unnecessary and irrational. For while imperialism provided the capitalist entrepreneur with 'unsettled countries with populations more easily exploited than our own' and thus 'tended to depress the conditions of workers in the mother country' to his immediate benefit,⁵ there was a far more sensible way of ordering economic relations. If the wages of the working-class were raised, then consumer demand would increase and the entrepreneur would find profitable fields of domestic

investment, thus eliminating the need to invest abroad. In addition, he would be freed of the tax burden necessary to sustain the wars of imperial conquest. The only real beneficiary of imperialism was the financier. Thus for the Radicals the problem of explaining imperialism resolved itself in final analysis to explaining why both consumers and producers should countenance a foreign policy ultimately inimical to their better interests. The Radical solution to this problem was particularly unconvincing, resting as it did on a piece of crude economic reductionism remarkably similar to vulgar Marxism. The Radicals alleged that the British electorate had fallen victim to a colossal confidence trick. 'The businessmen who mostly direct modern politics require a screen; they find it in the interests of their country, patriotism. Behind this screen they work, seeking their private gain under the name and pretext of the commonwealth.'⁶ Hobson's writings on the **Psychology of Jingoism** are coloured by an aloof contempt for the working-class. Thus he writes of imperialist interests propagating their views in music halls, 'appealing by coarse humour... to the 'animal lusts of an audience stimulated by alcohol into an appreciative hilarity'.⁷ The anti-imperialist strategy of the Radicals was to dispel the Psychology of Jingoism, teach the British people its real economic meaning, and persuade them that it was contrary to their own interests.

For twenty years after its publication, Hobson's Imperialism dominated anti-imperialist thinking in this country. Whenever a Labour spokesman sought intellectual substance for his opposition to Government colonial policy, it was to this book that he turned. This is not to suggest that Hobson's analysis was the only source of anti-imperialist sentiment in the Labour Party and trade unions. Labour had inherited from Liberalism a widely diffused anti-imperialist tradition owing as much to Cobden and Bright as to the later New Radical economic doctrine. Given a working-class twist, this 'Little England' sentiment—a compound of internationalism, anti-militarism, hostility to secret diplomacy and attachment to free trade—was propagated by the pre-war Independent Labour Party, and can be found in the writings of Hardie, MacDonald and Snowden.⁸ But for a more rigorous and substantial anti-imperialist doctrine, Labour depended on Hobson.

It is also necessary to emphasise that the Labour movement was by no means unanimous in its opposition to imperialism.⁹ Among trade unionists and Socialists alike, there was no absence of flag-waving, patriotic pride in the British Empire. This attitude was certainly encouraged by influential members of the Fabian Society and Robert Blatchford's **Clarion**, but it undoubtedly also reflected a strongly ingrained working-class mentality. The impact of empire on the British proletarian consciousness was immensely powerful and traces of it remain today. Perhaps the most significant feature of this working-class imperialist sentiment is its supra-political character: the Labour supporters of Empire did not accept that there was any inconsistency between Labour principles and support for the Empire, for they considered the imperial question to lie outside the ambit of Labour politics.

From the very formation of the Social Democratic Federation in 1881, British Marxism reflected the division of opinion within the wider labour movement. While most Marxists opposed imperialism, a minority which included the redoubtable H.M. Hyndman expressed some satisfaction with Britain's imperial role. In a recent **Our History** pamphlet, Bill Baker rightly emphasised the success of the internationally-minded section of the SDF in combatting Hyndman's pro-imperialist views; but it must not be forgotten that Hyndman was not alone in taking his position, and that in 1916 a sizable minority followed him out of the SDF's success over this very question of support for the war.¹⁰ And if the SDF was unimpressive at the political level in its struggle against imperialism, its theoretical performance was much worse. British Marxism before the First World War simply failed to produce any comprehensive analysis of the phenomenon, and drew its analysis from Radicalism. Like the rest of the labour movement, it did not at first make direct use of Hobson's writings on imperialism when they began to appear at the turn of the

century, but it drew freely on Radical terminology and concepts which were current by the end of the nineteenth century and predated the actual publication of Hobson's major work. Thus we find repeated reference in SDF writings to the need of British capitalism to find fresh outlets for goods and surplus capital, and allegations that capitalist 'cliques' were fostering jingoism for this purpose.¹¹ These Radical themes were in fact surprisingly similar to the ideas of Kautsky and the German SPD, which were generally accepted within the Second International before the First World War.¹² While leading members of the British SDF encountered these ideas at various congresses, they found little expression in their own writings, and the great majority of British Marxists were unaware of continental Marxist writings on the subject. The Radical theory of imperialism was not contested until after the First World War.

2. THE MARXIST THEORY OF IMPERIALISM

Before examining the impact of the Marxist theory of imperialism in this country, it may be useful to summarise some of its important points of difference from the Radical theory. First, there is a difference in focus. To the Radicals imperialism meant the exercise of power by a developed capitalist state over relatively undeveloped peoples living in pre-capitalist societies. While Hobson was keenly aware of the competition between capitalist states to extend their empires, he thought the arena of this conflict was in the colonies. The Marxist sense of imperialism is a more general one; it shifts the emphasis from the nation-state to supra-national monopoly capitalism, and extends the field of imperialism to incorporate other capitalist economies. That is, centres of capital are not just competing for the control of peripheral non-capitalist economies, they are also attempting to capture or win control over each other. While it had been 'customary', wrote Bukharin during the First World War, 'to reduce imperialism to colonial conquests alone', in fact the more imperialism developed 'the more it will become a struggle for the capitalist centres as well'.¹³ For the Radicals, on the other hand, imperialism 'centres around the relations between Western civilisation and civilisation of Africa and the East',¹⁴ and they usually concentrated on relations between one particular capitalist power, Britain, and its imperialist network. Marxists dealt with this aspect of imperialism under the heading of the Colonial Question, and they understood it within the more general framework of imperialism in its wider sense.

Beyond this disagreement over the meaning of imperialism lay crucially different understandings of the economic and political process. Hobson and the Radicals did not accept the Marxist theory of value. The accumulation of surplus value, and the need to find profitable new fields for investing it, were explained by them as the outcome of unequal bargaining power in the economic process: the owners of land and capital extortionate returns at the expense of the workers. As we have seen, they did not regard this imbalance as structural to the capitalist mode of production, and urged redistribution as a cure for under-consumption and its imperialist consequences. Here the gulf could not be wider. While Marxists diagnose imperialism as an attempt to stave off the declining rate of surplus value, and therefore as an inescapable stage of capitalism, in the eyes of the Radicals it was a usurpation of the state by a knot of financiers who wished to maintain an irrational misallocation of resources.

There are of course different Marxist schools of analysis of imperialism and in this study we shall deal with three of them. Apart from the theoretically undeveloped responses of Kautsky and the German SPD, the first school was formulated by the Vienna School, notably Otto Bauer and Rudolph Hilferding, at the beginning of the twentieth century. These theorists used the distinction between two branches of production, the production-goods department and the consumption-goods department; they maintained that these departments could be developed in proportion and that capitalism could remain in equilibrium. Imperialism was therefore not a matter of strict economic necessity, it was essentially a policy to increase profits. The banks,

which in the era of 'finance capital' had come to exercise a dominant role, switched capital to those fields offering the best returns—in certain cases this meant the export of capital. Thus the Vienna School offered a financial theory of imperialism as one direction of capitalist development. We may also note that Hilferding's belief that organised capitalism could avoid crises provided the foundation after the war for a Second International theory of 'ultra-imperialism'. This foreshadowed the elimination of inter-capitalist rivalry by a united finance capital.¹⁵

The second school appeared in 1913 with the publication of Rosa Luxemburg's **Die Akkumulation des Kapitals**.¹⁶ Luxemburg developed Marx's own scheme of capitalist accumulation, divided into a production-goods department and a consumption-goods department, to show that it would be impossible within the pure capitalist mode of production to realise the surplus produced in the consumption-goods department. That is, neither the capitalist nor the working-class constituted a sufficient market for consumption goods to enable expanded reproduction of capital to occur indefinitely. She concluded that capitalism relied for its necessary expansion on a 'third market'. Third markets existed within contemporary capitalist societies—among the peasantry, for example, who were not part of the capitalist mode of production—but as they became bound up in market relations with capitalism, they would be destroyed as independent entities and absorbed into the capitalist mode. An alternative third market was offered by overseas pre-capitalist societies and this accounted for the recent growth of imperialism. We can therefore see that Luxemburg reverted to a commercial theory of imperialism—it was goods, not capital, that had to be exported, even though capital export occurred subsequently as natural economies were transformed...¹⁷

The third school of imperialist theory was formulated by the Bolsheviks, in particular by Lenin and Bukharin.¹⁸ Their theory drew on both Hilferding and Hobson, and it has been asserted that they added nothing new to these two writers.¹⁹ Yet Lenin's analysis represents a distinct theory of imperialism and Bukharin reached broadly similar conclusions independently (though first published in 1918, his book was written in 1915). Unlike both Hobson and the Vienna School, who considered imperialism was a **policy** of capitalism, and unlike Luxemburg, who saw it as a tendency inherent since capitalism began, Lenin saw imperialism as a distinct stage in capitalist development. Imperialism represented a higher stage of capitalism in which monopolies played a decisive role; bank capital and industrial capital had merged into finance capital; the export of capital had become more important than the export of commodities, and the world was divided among the great imperialist powers. Lenin and Bukharin emphatically denied that capitalism was driven to imperialism by the need to find markets. Of course there was competition for markets, just as there was for raw materials. More important, however, was the fact that capital invested in backward areas, particularly under monopoly conditions, yielded super-profits. "It is thus obvious that not the impossibility of doing business at home, but the race for higher rates of profit, is the motive power of world capitalism."²⁰

3. THE IMPACT IN BRITAIN OF THE MARXIST THEORY OF IMPERIALISM

Since none of these continental writings was translated prior to the First World War, and because none of the leading British Marxists was interested in them, the Marxist movement in this country remained unaware of these theoretical controversies. It was the Russian Revolution which first stirred an enthusiasm for Bolshevik doctrine and thus opened British eyes to the Leninist analysis of imperialism. 1917 was undoubtedly a turning point for the Marxist movement in this country, and for its understanding of Marxist theory, but its full effects were not felt for several years. Beyond the fact that the chief texts of Communist theory were not translated for several years (those of Bauer, Hilferding and Luxemburg waited many years more, and some remain untranslated to this day), it is a gross over-simplification to make translation

and publication the sole test of a doctrine's impact. Theoretical advances are not achieved by a purely cerebral process. While Lenin enjoyed an immediate prestige in the aftermath of the Russian Revolution, prestige which assured his writings of a wide British readership, his doctrines depended for their full acceptance upon an integration into the practice of the British left. It therefore took several years for British Marxists to assimilate the Leninist theory of imperialism.

The novelty of the Leninist theory of imperialism and the controversy caused by its introduction can be studied in the newspaper of the largest Marxist organisation, the BSP. The conventional interpretation of imperialism came from J. T. Walton Newbold, who had advanced during the war from Radicalism to Marxism and would be a member of the Communist Party in the early 1920's, but who, like so many Marxist converts, retained an under-consumptionist understanding of the economic process. Newbold interpreted the war as the outcome of capitalist rivalry for markets and therefore as the natural culmination of capitalist development. The era of free trade and the export of consumption goods, especially cotton, had simply given way to the era of iron and steel, which led to protectionism, direct colonial control and war.²¹ Newbold's views were derived in a general sense from Hobson and more immediately from the American Marxist, Louis Boudin. Boudin's **Socialism and War**, which enjoyed considerable popularity among British Marxists, was a re-statement, laced with Hobson, of the old commercial theory of imperialism of nineteenth century Marxism. He described imperialism as 'the politico-social expression of the economic fact that iron and steel have taken the place of textiles as the leading industry of capitalism Textiles, therefore, mean peace; iron and steel—war.'²² This description differed from the Leninist approach in its crude technological reductionism, its concentration on only one characteristic of modern imperialism, and its interpretation of imperialism simply as rivalry for markets. The views of Newbold and Boudin were indeed indistinguishable from contributions published in the **Call** during the same period by two Radicals, E.D. Morel and H.N. Brailsford, a fact which emphasises the derivative character of native Marxist discussion of the subject.²³

In contrast, two influential Russian exiles, Chicherin and Theodore Rothstein, criticised Boudin and Newbold, and argued for a Leninist understanding of imperialism. Capitalism, they maintained, had reached a new and distinct stage, the "dictatorship of High Finance". The historical distinction between peaceful cotton capitalism and bellicose heavy industrial capitalism did not explain the current situation and was in any case inaccurate. The war should properly be understood as the outcome of the epoch of finance capitalism as a world system.²⁴

Though contested, the Radical theory of imperialism retained its following among British Marxists for some time, and can be detected in many writings of the period. Like the Radicals, and unlike Lenin and Bukharin, these British Marxists saw the origins of imperialism in the European expansion that began in the 1870s as a search for markets. A pamphlet written by the Scottish Marxist, William Paul, at the end of the war is typical in its exclusive concentration on the market requirements of capitalist industry. And in his influential **A Worker Looks At Economics**, which was widely used in the Labour Colleges, Mark Starr explained imperialism as the result of over-production and consequent "struggle for markets". A similar Radical orientation characterised the popular Plebs **Outline of Modern Imperialism**, another Labour College textbook. Relying primarily on Hobson for its explanation of modern imperialism as "the outcome, primarily, of the change from textiles to iron and steel as the staple product and export of capitalist countries", it added a Marxist appendix in which imperialism was presented alternatively as "the consummation of the capitalist process of development from competition to monopoly". (The confused and eclectic character of the Plebs **Outline** was aggravated by its preparation in several stages by different writers.)²⁵

The new Leninist theory of imperialism had therefore to struggle against a Radical perspective which was deeply rooted in the British left. It was also handicapped by the fact that the **locus classicus, Imperialism, the Highest Stage of Capitalism**, was not published in English until 1926. French and German translations were published in 1920 and an American translation appeared in Britain in 1923, but it was incomplete, lacking the crucial last four chapters.²⁶ So until 1926 only a handful of intellectuals with a command of foreign languages had access to the theory in its entirety. For others a reasonably comprehensive account did not come before 1922, when Michel Pavlovitch's lectures on the subject were translated and published. Pavlovitch's lectures had been originally delivered in 1918 and 1919 to the General Staff of the Red Army. Yet even Pavlovitch was an advocate of the metallurgical theory so that his exposition of Lenin sat uncomfortably alongside a subsequent chapter devoted to **Imperialism as the Policy of Syndicalist Metallurgical Industry**.²⁷

A deeper problem underlay British Marxists' understanding of the problem until the middle of the decade. Because they inherited an understanding of imperialism in the Radical sense of exploitation of pre-capitalist societies, they continued to concentrate on publicising Britain's treatment of her colonies. Furthermore, their interest in imperialism did not spring from analysis of the capitalist mode of production, as it did with Luxemburg and Lenin, for British Marxists held a static view of economic relations and were not at this stage interested in the problem of realising or maintaining the rate of surplus value. For them it was enough to expose the cruelty and exploitation of colonial practice, and trace the economic rivalries of world powers. Newbold's many articles in the **Communist Review** can be treated as an extreme example of this approach. He always concentrated on uncovering the shadowy activities of a small knot of financiers who were responsible for dragging their countries into confrontation and war. Sir Basil Zaharoff was Newbold's special **bete noir** and was invested with an aura comparable to that of the arch-villain in the John Buchan genre. Newbold is in some respects an extraordinary case but many Marxists writing on imperialism at the end of the war were infected by the same conspiratorial view of imperialism, and did not feel it necessary to probe further into its origins. Thus on the one hand a pamphlet such as T.A. Jackson's **British Empire** has almost nothing to say about the reasons for the phenomenon; while the early general textbooks of Communism made little or no mention of imperialism at all.²⁸

The weakness persists even when we turn to the relatively small group of Marxists with a substantial grasp on economic theory and a command of foreign languages, of whom Rajani Palme Dutt can be taken as an example. In 1923 Palme Dutt made a well-publicised attack on the shortcomings of British Marxism, condemning the Plebs **Outline of Modern Imperialism** for "clinging to the skirts of the U[nion of] Democratic] C[ontrol]", and for failing to follow Lenin.²⁹ Yet apart from alleging that the **Outline** failed to appreciate the political effects of imperialism on the working-class, Dutt gave no explanation how the Leninist school differed from the Radical in its underlying analysis. And even though he subsequently became perhaps the leading authority of his generation on this question, Dutt's treatment of the theory of imperialism remained limited at this stage. In books and pamphlets, such as **'Empire' Socialism, Modern India** and **Free the Colonies** he simply assumed the validity of Lenin's views.³⁰

So far we have been concerned with two schools of thought, the Radical and the Leninist. We have seen that while British Marxists were alive to the fact of imperialism, they were far more adept at description than analysis. In the absence of any textual guidance, many preferred the familiar Radical theory to the Leninist, or else confused the two. But as we saw earlier, the Leninist theory of imperialism was but one of several distinct Marxist theories. Two Marxist theories other than the Leninist

were also introduced during the 1920s, that of Luxemburg and the post-war theory of Kautsky and Hilferding.

The popularisation of Luxemburg can be attributed largely to one man, Morgan Philips Price. After reporting the Russian Revolution for the **Manchester Guardian**, Philips Price served as the German correspondence of the **Daily Herald** between 1919 and 1923, and became a Communist. While in Germany he read Luxemburg's **Die Akkumulation des Kapitals** and began sending back summaries of her arguments.³¹ Philips Price returned to England in 1923 and left the Communist Party shortly after, but he continued to find an audience in the Labour College movement. His importance lies in the fact that Luxemburg's book was not yet available in English translation, so that his accurate and forceful summary informed British readers of a debate of which they would otherwise have remained ignorant.³² Among those he influenced was Mark Starr, at this stage also a Communist, who took up Luxemburg's disproportionality argument in 1921, and in **A Worker Looks at Economics** and later editions of **A Worker Looks At History**, he grafted it on to his hybrid Marxist-Radical treatment of imperialism.³³ This eclecticism is indicative of the confusion then prevailing.

Luxemburg was an international Communist martyr, and while her theoretical writings were neglected, they were not actually contested (except by Bukharin) until later in the 1920s. The usual objections then were that she disregarded the distinctively monopolist character of imperialism, concentrated on the export of production goods rather than capital, and therefore failed to appreciate the strength and immediacy of barriers to further capitalist expansion.³⁴ But these shortcomings did not place her beyond the pale: Lapidus and Ostrovityanov cited **Die Akkumulation des Kapitals** with approval in their Soviet textbook **Outline of Political Economy**, which appeared in English in 1929,³⁵ and as late as 15 January 1931 the **Daily Worker** described her book as a "great contribution to Marxist thought". Criticism was extended later in 1931 when Stalin published his attack on the theories of the Left German Social Democrats, but this attack was motivated by contemporary political considerations and bore only a tenuous relationship to Luxemburg's actual views.³⁶ Nevertheless, its effect was practically to eradicate her from the consideration of British Marxists—even though Ralph Fox referred darkly in 1932 to the continued existence of a group of "carriers" of this "semi-Menshevik burden".

The second non-Leninist theory of imperialism claimed that inter-capitalist rivalries could be surmounted and a new stability attained. This argument was only advanced in a complete form in 1928, but its origins can be discerned as early as 1924 during the debate among the left over the Dawes Plan. Philips Price and Walton Newbold, who had both recently left the Communist Party for the Labour Party, disagreed with the Communist Party's criticism of the Labour Government's acceptance of the Plan. What the Communists overlooked, wrote Price, was that the Dawes Plan signified a new "atmosphere of stability", International finance capital "is strong, it is young, and it has the whole machinery of the State It may be that we shall see several decades of its rule yet."³⁸ To these initial arguments about the harmonisation and strength of international capitalist interests, Price and Newbold later added technological arguments about the stabilising effects of a new industrial revolution. Finally in 1928 Price extended the argument to include the colonial areas. Addressing his own Luxemburgist ghost, he asserted that "international industrial agreements" could eliminate over-production and abolish the necessity of dumping goods on colonial markets. The previous brutal exploitation of the colonies could thus be replaced by a controlled export of commodities designed to raise colonial living standards. In general, therefore, the new advances in techniques of production and

supersession of conflict by international cartels meant that "it is not necessary to postulate catastrophe".⁴⁰ The resemblance of these ideas to the doctrine of 'super-imperialism' advanced during the 1920s by Kautsky and Hilferding is unmistakable.⁴¹

Let us now return to the Leninist theory of imperialism. We have seen how it was both poorly understood and contested for several years after the war. In February 1925 the Agitation and Propaganda Department of the Communist International sent the British Party a lengthy summary of its theoretical deficiencies, and the absence of "theoretical discussion of the question of imperialism" was singled out for particular emphasis. In future, the Comintern instructed, "the problem of imperialism must not be discussed within the narrow limits of the British Empire" but should be treated on a world basis with an explicit theoretical foundation.⁴² These instructions had an immediate and beneficial effect: Lenin's **Imperialism** was translated and published within a year, and an effort was made to publicise the question in all party organs. Henceforth the Communists and those sympathetic to Leninism in the Labour College movement began to stress the distinctive features of Lenin's theory and to explain their significance. Imperialism was not just "a certain type of foreign policy"; it was "the present stage of capitalism", the inevitable culmination of previous development. Imperialism was not confined to the domination of non-capitalist areas by capitalist ones; it was a world-wide system of capitalist rivalry. Nor was imperialism the outcome of any single motive; it represented the search for better markets, cheaper materials, cheaper labour, more profitable investments—in short, "the search for profits". And after 1925 the Leninist doctrine of super-profit was also properly explained as an additional attraction of imperialism.⁴³

Like so many elements of British Marxism, the doctrine of imperialism unfortunately degenerated into dogma as Stalin began to exert his own theoretical influence. Stalin's rigid formalisation of the doctrine in **Theory and Practice of Leninism** appeared in English in 1925 and thus preceded the publication of Lenin himself. There were no actual changes in content but Lenin's extremely cautious formulations, which were meant to provide a guide for further analysis, were fossilised into an infallible dogma. Where Lenin had warned that any formal definition of imperialism "can never embrace all the combinations of a phenomenon in its full development",⁴⁴ Stalin laid down a set of laws. We can provide only one example of the effects of this degeneration, but it is a particularly significant one for it concerns Bukharin, who, even if he had differed from Lenin in certain respects, had been a close collaborator in originally investigating the problem.

In his **Imperialism and the World Economy** (1915), Bukharin had predicted that the monopolist tendencies of modern capitalism would lead to the creation of a state capitalist trust within each leading capitalist economy, and thus "reduce to a minimum" competition within national economies. Competition would increasingly be waged at a higher level on the world economy.⁴⁵ Even though Bukharin specifically repudiated the Second International doctrine of ultra-imperialism, and even though Lenin had written an introduction to Bukharin's book, his distinction between national and international competition proved unacceptable when he employed it in speaking on the world economic situation to the Sixth Congress of the Communist International. It was condemned at the Plenum in 1929 and Bukharin himself retracted it in the following year.⁴⁶ In Britain the typical tardiness in translating important foreign texts led to a bizarre **volte face: Imperialism and the World Economy** was condemned within a year of its publication.⁴⁷

4. THE COLONIAL QUESTION

Before the 1920s the question of the British Empire was peripheral to the left's discussion and strategy. While the pre-war British Socialist Party, Socialist Labour

Party and Independent Labour Party all publicised colonial exploitation and called for working-class internationalism, nevertheless they all believed that the workers' struggle would be resolved in the domestic arena. The colonial question was not an issue which would fundamentally affect the outcome of the class struggle, it was essentially a question of conscience.

Insofar as this attitude was discarded during the 1920s, it was discarded under the influence of two men, Lenin and M.N. Roy. Lenin's interpretation of imperialism, which won increasing acceptance during the decade, elevated the colonial question to a far more important position than had previously been the case (and this was the chief difference between his **Imperialism, the Highest Stage of Capitalism** and Bukharin's **Imperialism and the World Economy**). In this sense Lenin was the "mediator between Marxism and the non-European world".⁴⁸ He attached importance to the question for two reasons: first, because exploitation of colonial areas gave a fresh lease of life to capitalism; second, because part of the spoils of colonial exploitation were used to bribe the metropolitan proletariat. Other Marxists either did not appreciate the significance of these two factors or else, like Luxemburg, were extremely pessimistic about the possibility of colonial revolution. In either case, like the British, they pinned their hopes on the European working-class. Lenin stood capitalist struggle. In addition his theory of the 'weakest link', which was advanced to explain the success of the Russian Revolution, reinforced the broader perspective. We should not exaggerate the distinctiveness of his position, however, for he continued to think that the activity of the European working-class was so important that "A blow delivered against the power of the English imperialist bourgeoisie by a rebellion in Ireland is a hundred times more significant politically than a blow of equal force delivered in Asia or in Africa".⁴⁹

Manabendra Nath Roy, a young Indian exile, emerged as an authority on the colonial question in 1920 at the Second Congress of the Communist International, when he criticised Lenin's draft thesis on the National and Colonial Question.⁵⁰ Lenin attached great importance to the revolutionary movement of the colonies and charged the "workers of the country the backward nation is financially dependent on" with the primary responsibility for aiding and guiding its liberation. He thought that because of the economic and social backwardness of the colonies, the current task was to "enter into a temporary alliance with the bourgeois democracy in the colonial and backward countries"⁵¹ Roy contested Lenin's thesis in two particular respects. He claimed that because "super-profit obtained from the colonies is the mainstay of modern capitalism", therefore "the fate of the revolutionary movement in Europe depends entirely on the course of the revolution in the East".⁵² Here Roy pressed the Leninist theory of imperialism to more extreme conclusions than Lenin himself was prepared to accept, and Lenin remarked that "Roy goes too far when he asserts that the fate of the West depends exclusively on the degree of development and strength of the revolutionary movement in the Eastern countries"⁵³ Roy's second objection was to Lenin's proposed alliance with "Bourgeois democratic" groups. Roy believed that the colonial bourgeoisie played a reactionary role, that their aim was merely "to replace the foreign exploiters in order to be able to do the exploiting themselves", and that the revolutionary movement must be based on the peasantry and proletariat.⁵⁴ There was an additional difference between Lenin and Roy over the nature of colonial development, and Indian development in particular. While Lenin thought the colonies were held back in a pre-capitalist stage, and that this determined the revolutionary role of the bourgeoisie, Roy thought there was already a degree of capitalist development which gave the colonial bourgeoisie a stake in the colonial order. This issue was muted at the Second Congress and emerged more clearly later in the decade.

Roy had only limited success in changing the thesis on the National and Colonial question, although Lenin did encourage delegates to take Roy's points seriously. Lenin invited him to prepare supplementary theses and these were included in the final resolution, in an amended form, to emphasise the need to support revolutionary workers and peasants rather than "the narrow circle of bourgeois democratic nationalists". Similarly, Lenin's draft was amended so that it recommended alliance with the "revolutionary movement in the colonies" rather than the "bourgeois-democratic movements" as originally proposed.⁵⁵ Nevertheless, Lenin's insistence on the need for tactical alliances outside the workers and peasants remained. From 1920 until 1928 the Communist International worked within the more cautious framework Lenin had counterposed to Roy. The relative importance attached to the colonial question and the estimates of revolutionary potentialities varied during the period, but the general policy was always to build revolutionary movements in the colonies in alliance with the colonial bourgeoisie. Roy's perspective was increasingly ignored and after 1924 explicitly rejected.

We can now turn to British views on the colonial question. At the Second Congress of the International they were pitched headlong into a discussion which revealed their backwardness to an embarrassing degree. The British members of the Commission on the National and Colonial question, in which the argument between Lenin and Roy chiefly took place, were clearly alarmed by the suggestion that they should organise revolutionary movements in the British colonies. "The average English worker" said Tom Quelch, a leading member of the BSP, "would consider it treason to render assistance to the dependent countries against the English authorities."⁵⁶ This attitude shocked the rest of the Commission and the British Party was taken to task for its laxness both on this and subsequent occasions.⁵⁷ While the British did not establish a Colonial Committee and begin to pay systematic attention to their tasks until 1925, the magnitude of their early achievement is considerable. They had to overcome a general feeling throughout the labour movement that the colonial question was unimportant, and to combat the racialism that frequently underlay such lack of interest. During the war Quelch had expressed alarm at the use of black labourers, or "jolly coons" as he preferred to call them, as strikebreakers. Beside their blacklegging, he thought they were a danger to English women, whose "sex appetites" had been "starved" during the war, and who might be "delivered into the arms of the vigorous Othellos of Africa". When Chicherin challenged these attitudes, Quelch protested that he did not believe blacks to be racially inferior—he simply thought they could best work for socialism in their own countries.⁵⁸

It was a common habit of the British labour movement to justify racialism by pseudo-socialism in this manner, and Communists were not completely immune. In 1922, the **Communist** printed a German protest against the presence of French colonial troops on German territory, appealing for assistance against "the awful disgrace which is being done to our white women on the Rhine by the eager lust of African savages".⁵⁹ The pressing task for Marxists was to unravel this tangled skein of conscious and unconscious racialism and promote an awareness of the importance of the colonial question. To do this the CPGB published both descriptions of conditions in particular areas such as India, Burma, Kenya and Egypt and general explanations of the function of Britain's colonies. By the middle of the decade this preliminary task had been accomplished at least to the extent that racist sentiments disappeared and all Communists acknowledged the importance of liberating the colonies.

The next task was to work out and then implement a strategy for liberating them. India was the chief responsibility of British Communists, and while they were entrusted with promoting revolutionary movements throughout their country's colonial possessions, India absorbed most of their energies. Here the CPGB had to strike a

balance between Roy's preference for independent revolutionary leadership and the more cautious Comintern programme of building an alliance with bourgeois nationalists. The balance was partly determined by the degree of development in the particular colony under consideration, but because India bulked so large in discussion and because Roy and his supporters played the leading role in the initial stages of the discussion, the general tendency was to favour Roy's bolder strategy. Roy himself, his American wife Evelyn, and his collaborator Abani Mukherji all publicised this approach, emphasising the importance of the colonial upsurge for breaking the stranglehold of capitalism on Europe, the extent of capitalist industry in India, the untrustworthy character of the Indian National Congress, and the need to base the movement on workers and peasants.⁶⁰ It is well nigh impossible to gauge the extent to which their views were accepted by the British audience since at this time few members of the CPGB wrote on the question and their colonial work was supervised from Moscow. Shapurji Saklatvala, the Communist MP, and Rajani Palme Dutt's elder brother, Clemens—both leading members of the British Party—seem to have been sympathetic to Roy's emphases,⁶¹ but no native Communist appears to have committed himself. Right up to 1927 the resolutions of the CPGB endorsed the orthodoxy:

The forces of the movement for emancipation in the colonies are not limited to a sentiment amongst the toilers or to small circles or parties of the Comintern Revolutionary nationalist democratic movements exist side by side with the revolutionary proletarian organisations We must at all times look for a united front with those who are oppressed and are honestly fighting oppression.⁶²

Using this conveniently flexible formula (in which so much depended on whether the bourgeois nationalists were in fact "honestly fighting oppression"), the Communists worked within the All-India Trade Union Congress and pursued periodic alliance with the left wing of the National Congress.⁶³

The British Party's conformity on the colonial question came to an end after 1926 when, for the first time, they took an unequivocally independent position within the Communist International. In view of the animated and informed discussion which occurred, and its similarities with the position taken by Roy's circle at the beginning of the decade, it seems likely that his ideas had been percolating through the CPGB during the intervening period. This is not to suggest that the British simply followed Roy's leadership: relations between the two parties had never been close and Roy had in any case fallen into general disfavour by 1928.⁶⁴

The common basis of Roy and the British was a theory of capitalist development, the theory of 'decolonisation'. Roy had argued at length in **India in Transition** and various other books and articles, and at successive International Congresses, that modern imperialism had transformed the economies of colonies such as India. From the export of consumption goods British capitalism had turned to the export of production goods and capital, and thereby stimulated the industrialisation of the colonies. This process had two political consequences: it satisfied the ambitions of the colonial bourgeoisie and cemented its alliance with imperialism; and it created colonial proletariat which, in alliance with the landless peasantry, constituted the revolutionary force in the colonies. From 1926 on Roy's theory of decolonisation was echoed increasingly clearly in British writings on India. Thus in **Modern India**, Palme Dutt drew attention to the recent consequences of the growth of Indian industry. British imperialism had taken the Indian bourgeoisie into "junior partnership" in a "counter-revolutionary front". Because they received a share in the spoils of imperialism the colonial bourgeoisie were coming to play an increasingly "treacherous role", and the future movement must be based on the peasantry and working-class.⁶⁵

Dutt's brother Clemens supplemented the analysis with an argument that capitalism was also replacing feudalism in the agricultural sphere, creating a class of "landless agricultural proletarians" and accentuating class differentiation.⁶⁶ The general perspective which by 1928 was common to Roy and the British can be found in the report drawn up by the Indian Commission for the Communist International in preparation for the Sixth World Congress. This stated that the policy of British imperialism was "the industrialisation of India under the control of British finance capital, and with the co-operation of the Indian bourgeoisie".⁶⁷

The economic theory of decolonisation came under attack at the Sixth Congress of the International in 1928. At this Congress the general strategy of the last eight years of developing tactical alliances with the colonial bourgeoisie was abandoned: in an analogous fashion to the policy of class against class within capitalist countries, it was now declared that the colonial bourgeoisie were enemies of national liberation who must be exposed and attacked by the workers and peasants. Yet while the new political strategy was not essentially different to that of the CPGB—who merely wished to continue their activities in the Workers' and Peasants' parties which they had been instrumental in establishing—its underlying analysis was. On behalf of the leadership, Otto Kuusinen declared that capitalism was primarily interested in maintaining the colonies in a backward condition as a market for industrial goods and a source of raw materials. It only developed such sectors as served its own interests and kept the colonies in a state of economic disequilibrium and dependence; while some capitalist development had occurred in India, it was emphatically not the policy of British imperialism to industrialise India. Kuusinen poured scorn on Roy's theory of decolonisation and condemned Dutt's **Modern India**.

Kuusinen's characterisation of the theory of decolonisation obfuscated the real issues for he wrongly alleged that its proponents thought that economic development of the colonies would lead to a relaxation of British rule and eventual self-government. Decolonisation became a perjorative term and for this reason British Communists repeatedly repudiated it. Nevertheless, all but four of the British delegation of eighteen opposed Kuusinen's economic analysis and Page Arnot introduced an amendment which laid down the "general law of capitalist development" that in solving its inner contradictions by the export of capital, capitalism "involuntarily stimulates in the colonies the creation of its future rival". Arnot's amendment received just twelve British and two Indian votes and Kuusinen's draft thesis was adopted. The final thesis insisted that British capitalism was "hindering the industrial development of India" and that "all the chatter of the imperialists and their lackeys about the policy of decolonisation being carried through by the imperialists.... reveals itself as nothing but an imperialist lie".⁶⁸

Whereas the economic view of the British constituted a solid foundation for the new strategy of an independent revolutionary movement in the colonies, what now became the orthodox view seems fraught with difficulties. If imperialism was retarding capitalist development in the colonies, why should the colonial bourgeoisie cling to their imperial masters' coat-tails? And if the development of capitalist industry and agriculture was as weak as the Sixth Congress suggested, whence derived the strength of the colonial working masses? As Petrovsky, the Comintern representative in Britain who sided with the CPGB in this matter, ironically enquired: "The industry does not develop but the proletariat grows?"⁶⁹ The answer to all these questions lies in the special place now assigned to the Soviet Union. The conflict between the USSR and the capitalist countries became the paramount factor in the international situation, and the alliance between the socialist state and the colonial working masses was to provide the basis for their success.

A subsequent Congress of the CPGB formally endorsed the decisions of the Sixth Congress on the colonial question but neither discussion nor debate was allowed.⁷⁰ Moreover, in presenting the Colonial Report, Arnot smuggled in a number of the ideas he had unsuccessfully put before the World Congress: while a colony "developed along the lines that imperialism wanted it to", "at the same time there is a contradictory process going on, whereby the import of machinery and means of production, industry is developed, producing thus a bourgeoisie and the proletariat".⁷¹ He repeated this view in a pamphlet published shortly after, and cited Marx in support of his claim that "The British implanted the beginnings of large-scale capitalism in India".⁷² And while Clemens Dutt conceded that he had been wrong in suggesting a theory of decolonisation at the Sixth Congress, he reported also that Kuusinen had placed an "over-emphasis in the other direction, not taking into sufficient account the effect of capital export". "This was corrected in the course of the discussion," he claimed.⁷³

But for all its special pleading, the CPGB ultimately abandoned its independent stand. "To preach decolonisation is anti-Marxism and anti-Leninism, and direct support to the imperialist interest."⁷⁴ After 1929 British Communists concentrated on criticising the shortcomings of all colonial movements which were not based exclusively on the working masses and led by the proletariat.⁷⁵ Insofar as they touched on the economic question, they repeated the orthodox description of "the retarded nature of the industrial development" due to the fact that British imperialism "hinders the development of its productive forces".

5. IMPERIALISM AND THE LABOUR MOVEMENT

We can now turn to consideration of the impact of the Marxist theory of imperialism on the labour movement. After the First World War, as before, there was a division of opinion within the labour movement on the question of the Empire. The opponents were strengthened by the post-war influx of some leading critics of imperialism who all came from the middle-class and mostly from Liberal backgrounds. Besides Hobson himself there were Brailsford and Leonard Woolf, his chief popularisers; and the so-called 'Foreign Legion', Charles Roden Buxton, Seymour Cocks, F.W. Pethick Lawrence, H.B. Lees-Smith, E.D. Morel, Arthur Ponsonby, Charles Trevelyan and even Bertrand Russell, who all came to Labour via the Union of Democratic Control. While these recruits stiffened anti-imperialist sentiment within the Labour Party, there continued to be a substantial number of trade unionists and Labour Party members who saw nothing wrong with Britain's treatment of her possessions. J.H. Thomas may be taken as the best-known representative of this view. It is said that he introduced himself to his staff at the Colonial Office with the remark: 'I'm here to see that there is no mucking about with the British Empire.'⁷⁶ This story may be apocryphal but it would not have been out of character.

Yet the explicit pro-imperialists and the thoroughgoing anti-imperialists were both minorities, with the great majority of the Labour movement lying somewhere in between. From the conflicting mass of resolutions passed by the Labour Party and the TUC, and the policy of the Labour Party in opposition and office, it is extremely difficult to discern a coherent majority view. When dealing with colonial policy the Labour Party seemed especially prone to the habit of producing pious statements of intent which its leaders had no intention of over implementing. Perhaps the most graphic illustration of this inconsistency was the advanced programme for de-colonisation which the Labour Party published as a pamphlet with an enthusiastic preface by, of all people, J.H. Thomas.⁷⁷ The Party pledged itself in its Memorandum on War Aims to the "frank abandonment of every form of 'Imperialism'", and in the same year demanded that India be given Dominion status.⁷⁸ Until these broad commitments were tested in office, however, there was little further discussion. We have already seen

how in the early 1920s British Marxists drew freely on Hobson in their treatments of imperialism. The lack of theoretical clarity extended throughout the Labour movement and until 1924 the difference between the Radical and Marxist critiques of imperialism remained purely theoretical, so that there is little way of testing their respective influences.

The situation was transformed by the performance of the Labour Government in 1924. Its failure to fulfil Left expectations in both general foreign policy and in colonial administration precipitated a thorough revision of anti-imperialist doctrine. During the next two years there occurred a fierce controversy about the meaning of Empire which was conducted in the journals and newspapers where the left of the Labour Party met with the Communist Party—the **Plebs**, **Lansbury's Labour Weekly** and the **Sunday Worker**. Examination of this controversy will enable us to clarify the division between the Marxist and non-Marxist viewpoints, and assess the influence of the Marxist theory of imperialism.

6. EMPIRE SOCIALISM

The policy of Empire Socialism arose out of the dissatisfactions of two sections of the Labour Party. One group was satisfied with the policy of the 1924 MacDonald Government but critical of the Party's anti-imperialist principles: the second was extremely critical of the Government's performance but also wished to revise principles.

The initial exponent of the first view was Thomas Johnston, the editor of the **Glasgow Forward**. His underlying motive was to defend the Government against its Left critics, and his method of doing this was to challenge their theoretical basis. He attacked the "fixed belief that this Empire is an engine of grab and oppression and that it is and can be nothing more". Himself betraying the confusion between Marxism and Radicalism he said this was one of those "Whig superstitions which our Communists had apparently adopted under the belief that they were 'advanced'". The correct Socialist policy was to develop the Empire "under a Socialist inspiration" for the mutual benefit of all its members.⁷⁹ Johnston's criticisms of the Radical view of Empire and his proposal for an Empire Socialism were soon taken up by others, but there was something half-hearted about these early justifications. They commonly fell back on the argument that a benevolent British imperialism was at least preferable to unrestrained native capitalism or a "Mongolian Empire".⁸⁰ A more thoroughgoing defence of empire soon came from Leslie Haden-Guest, the Right-Wing Labour MP. He considered that empires were "natural phenomena" and that it made no sense to advocate their dismemberment since most of Britain's possessions were "quite unfit for political independence". The correct policy was to develop the Empire as an integrated economic unit on a new "socialist basis", and to remember at all times that "the Empire is our country".⁸¹ To this end Haden-Guest encouraged the formation in 1922 of a Labour Commonwealth Group of Labour MPs, of which he was the founding secretary and for which he claimed a hundred members.⁸² In 1925, furthermore, he led a score of Labour Members to support of a motion for Imperial Preferences.⁸³

Commenting on this vote, a weekly journal friendly to the Empire noted that "it is not surprising that Mr Thomas and his fellows now support Imperial Preference. What is much more significant is that the Left Wing has been won over."⁸⁴ It was indeed remarkable that a significant number of Left MPs should have been attracted to Empire Socialism. True, one section of the Left, the Clydesiders, had displayed little concern for the question of the colonies and had always been suspicious of Hobsonian internationalism. "I know that all this interest in foreign affairs is a heritage from Liberalism," averred the bombastic Davie Kirkwood.⁸⁵ However, other Left Empire Socialists, such as George Lansbury, who became chairman of the Labour Commonwealth group in 1924, had been leading critics of imperialism.

And the 'socialism' of men like Haden-Guest served as a poor disguise for racist, white-supremacist sentiment which both Lansbury and the Clydesiders always opposed. Haden-Guest's underlying fear was "the possibility of the formation of a vast black and coloured proletariat, uneducated and very excitable, ready to listen to Communist propaganda", and he advocated immigration controls and apartheid to circumvent the danger.⁸⁶ And in 1927 Haden-Guest's differences with the Empire led him to resign from the Labour Party. In spite of these differences, in 1925 the **Lansbury's Labour Weekly** group announced their conversion to Empire Socialism.⁸⁷

The emphasis of these Left Empire Socialists was always on the socialist potential of the empire, and the equality of all races within it. Theirs was a more apologetic defence of empire:

We may deplore the fact that the British Empire is not what we would like it to be. But there it is, and there it remains whatever you think of it. Our duty as members of the Labour movement is to see how we can utilise it to serve our purposes, and to help at the same time the world position of the workers.⁸⁸

Lansbury, Wheatley and others on the Left of the Labour Party were obviously neither comfortable with the implications of their new position, nor did they completely understand them. "While they day-dreamed of transforming the empire into a true federation, in reality the empire was transforming them."⁸⁹ One of them explained that "because Thomas or Haden-Guest take the opportunity to bang the Imperialist drum during the debate" on Imperial Preference, it did not follow that he and his colleagues who voted in the same lobby were "responsible for and in agreement with all their arguments".⁹⁰ Perhaps their new stance can best usefully be seen as a response to Labour's failure in 1924. When Lansbury first began to veer towards Empire Socialism within the lifetime of the Labour Government, he wrote illuminatingly that the fundamental problem for the Left was "how to apply the theories of life and conduct we have all learned", and that "among the many questions which, now it is in office, baffle and perplex the Labour Party, none is more difficult of solution than those which concern relations between Great Britain and her Empire."⁹¹ No less than nine members of the Cabinet had been members of the UDC,⁹² and those Hobsonian principles with which the Party had entered Whitehall had come to naught. The Left was now searching for a new approach to the problem free of the tutelage of the middle-class ex-Liberals.

The Communist Party seized on Empire Socialism as a chink in the armour of its Left Empire rivals. The Communists were only now clarifying their own understanding of the theory of imperialism and found that Empire Socialism was an excellent issue for doing so. They were quick to point out that the question of empire could not be considered apart from its economic basis:

The essential fallacy of patriotic reformism lies in dividing politics and economics into two sharply distinguished categories, with only an incidental connection between them They do not say 'the Empire exists as an expression of capitalism in its final finance-monopoly form'. They say (as Johnston is learning to say) how nice the Empire would be if only we could keep the capitalists from being quite so all-pervasive.

"One might as well talk about Socialising chattel slavery or wage slavery", wrote another Communist. "One cannot Socialise a state of class domination".⁹³ At the heart of the dispute between Marxism and Empire Socialism lay radically different understandings of the economic process and the economic function of empire. The Empire Socialists wanted to preserve existing trade relations between Britain and her undeveloped possessions, whereby Britain exchanged her manufactures for their raw materials.

Colonial exploitation was to be abolished by the elimination of sweated industries and the protection of native living standards under 'fair trading' agreements. The Communists, on the other hand, perceived that the preservation of Britain's industrial monopoly must of necessity be coercive and result in "wholesale cheating—a process sometimes called the extraction of super-profit".⁹⁴

Empire Socialism was directed against the Radical theory of imperialism just as much as against the Marxist. It is probably true also that the Empire Socialists could see "no difference between the criticism of colonial Empire put forward by the Whig (or rather Cobdenite) section of the British bourgeois, and the attack on modern Imperialism put forward by working-class parties".⁹⁵ Yet its effect was to clarify these differences, weaken the Radical influence on the Labour Party, and leave Marxism as the most influential body of anti-imperialist doctrine.⁹⁶ The decline of the Radicals began with Labour's failure in 1924 and can be seen in their response to the Empire Socialist arguments. For while they insisted that Empire Socialism was "an abandonment alike of the ethics and the economics of the Socialist movement",⁹⁷ they found increasing difficulty in distinguishing the proposals they derived from Hobson for dealing with the colonies from those of the Empire Socialists. "Imperialism is doubtless the enemy;" wrote G.D.H. Cole, "but it is not to be fought by the simple method of Empire-smashing, but rather by a change of policy on the part of the States which are the present controllers of Empires". Or, as Buxton put it to the 1925 Labour Party Conference, "they had to accept the fact of Empire in one form or another" and concentrate on finding a "responsible" future policy.⁹⁸

What should this policy be? Here the follower of Hobson experienced great difficulty. One answer was that Britain's surplus should be invested domestically to raise living standards: this implied that there would no longer be any need for the empire and that the independent ex-colonies would no longer be developed by British capitalism. But if this policy were adopted the ex-colonies would surely revert to the status of suppliers of raw materials.⁹⁹ This outcome of an industrial Britain served by non-industrial dependents was hard to distinguish from the proposals of the Empire Socialists. The alternative was to continue investing in the colonies and settle for "proper rates" of profit.¹⁰⁰ Hence in 1926 the Empire policy committee of the ILP, composed largely of middle-class Radicals, "welcom[ed] the possibility of closer economic relationships between the British nation and the various parts of the Commonwealth".¹⁰¹ This again seems quite consistent with the Empire Socialist criterion of acceptable conduct, and as soon as it was admitted that "much of this tribute is payment for honest and valuable services: much of it is the reward of enterprise, knowledge and skill",¹⁰² the force of the Radical attack on imperialism was lost. Radicals in the 1920s seemed unaware of the viability of an alternative form of imperialism to that which they contested, an imperialism of free trade based on their own principle of 'Open Door'.

The loss of confidence among the Labour followers of Hobson was brought about by the 1924 Labour Government. Until then they had been in the forefront of the movement, popularising their ideas about the futility of international rivalry and colonial exploitation. When Labour proved itself to be more a continuator of imperialism than its destroyer, the basis of discussion within the Labour movement changed. An articulate, well-organised group arose to defend the Empire and was henceforth answered chiefly by the Marxists. This alignment solidified during the remainder of the decade as the Labour Party became increasingly estranged from the aspirations of colonial groups, especially in India. Even the UDC voiced only mild criticism of Labour's participation on the Simon Commission.¹⁰³ The remaining anti-imperialists in the Party, who were chiefly in the ILP, found themselves working for a time with the Communists in the League Against Imperialism.¹⁰⁴ Even after they left the League they drew more and more on Marxist concepts to provide a theoretical foundation for their activities.¹⁰⁵ Thus the Marxist theory of imperialism achieved an influence within the rest of

the movement out of all proportion to the size of the Communist Party.

Imperialism became an issue on which Marxists could exert considerable leverage on the organised labour movement, and both the Communist Party and the Labour Colleges devoted considerable energy to anti-imperialist agitation within the unions. The 1925 Congress of the TUC passed by more than three million votes to less than a hundred thousand the following resolution:

This TUC believes that the domination of non-British peoples by the British Government is a form of capitalist exploitation It declares its complete opposition to Imperialism¹⁰⁶

The 1925 Congress was exceptionally left-wing but all the same this resolution invites comparison with a resolution in favour of Empire Socialism passed by the Labour Party Conference a month later.¹⁰⁷ The whole tone of discussion in the TUC was distinctly different to that of the Radical-dominated discussion in the Labour Party. There was a militant class content among the unions which contrasted with the "Victorian paternalistic humanitarianism" of the middle-class ex-Liberals.¹⁰⁸ This is not to suggest that the TUC delegates in 1925 all subscribed to a Marxist view of imperialism, even though the motion was put forward under Communist initiative. Rather, because of the Labour leaders' abandonment of opposition to imperialism, its explicit support among sections of the Party, and the faltering of the Radicals, the Marxists were left as the clearest and most coherent opponents. Harry Pollitt was therefore able to give the lead to delegates at the TUC Congress in 1925 and attract general support when he "hoped Congress would give an answer to the Empire propaganda which had been put forward by the right-wing of their movement during the last twelve months". In this way working-class internationalism took on a distinctly Marxist character.

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